

EXECUTING OUR STRATEGY

Michel Doukeris, Chief Executive Officer

Great stuff. Thank you. All. In simple terms. Here's how I summarize these high-priority technology products. BEES is already a very large business for us. We were able to take an analog installed base of business customers and move them into the digital world, at almost no cost. Think about that. In the process, we created the best B2B platform of any FMCG, and we are just getting started. On the other side, we are starting to reach a large underserved consumer base directly through our ecommerce and mobile commerce services.

As of today, we have attracted millions of consumers to our platforms across Latin America. What a win-win. Consumers get their cold beer in 30 minutes at home. And we? We get direct access to the occasions, and to real-time data that is opening up a new world of possibilities to serve them better.

Biotech. It is in the early days, but it is very exciting. I don't know if you know, but I started as a chemical engineer, and I love fermentation. On the production side, we have the breadth, depth, and control of a scaled fermentation process at a global level. By combining these capabilities with breakthroughs in biotechnology, we have the potential to be part of the solution to sustainable food production in the future. Just imagine the possibilities.

These initiatives are powered by over 2,000 tech developers and some of the world's leading fermentation scientists. These are terrific and very real opportunities to accelerate our growth, and to build on our unique ecosystem, to create a future of more cheers for our partners, customers, consumers and communities around the world.

Hopefully, you are as excited as I am about the opportunities we just saw. Of course, it all comes down to execution, and execution demands simplicity. So we have simplified the way we look at and manage our business, grouping our footprint into four clusters based on similar, macroeconomic, and consumer trends. This simplified framework makes it easier to create and share repeatable learnings, leveraging our scale, and make better resource-allocation decisions.

These clusters, in order of priority, are: developing markets that are seeing fast population, economic, and per-capita consumption growth across all segments. And as a result, we represent a sizeable amount of global beer revenue in the future. China, because of its size and unique operating environment, it is its

own priority. The growth of middle and upper economic classes is unparalleled, and in the next 10 years, this part of the population will grow faster than in the last 10 years. Just imagine the opportunity. We know how big it is, and it will play a key role for us as we continue to permanence in the future.

Developed markets where people are typically wealthier and older, and consumer trends are constantly evolving, require an innovative approach in the market and expansion into new incremental segments such as Beyond Beer. And finally, emerging markets. While these markets may have lower disposable income relative to others, they represent a sizeable population that it is growing fast. As a result, they will be a big opportunity for beer in the long term.

So with that, let's take a quick trip around the world, starting with Lisboa, to guide us through developing markets, how our strategy is landing, and how our execution is making the difference.

Developing Markets

Carlos Lisboa, Zone President, Middle Americas

Hello, everyone. I'm Carlos Lisboa, and I'm the zone president for our Middle Americas zone. I consider myself a homegrown talent, been at ABI for almost 28 years, with experience leading our business in both emerging and mature markets, as well as operating in global positions. I'm a marketer living the best moment in my career leading one of the most important growth engines for our company. And talking about growth, that's exactly what Maturity Two, or developing markets mean for us, a unique growth opportunity.

Beer in developing markets is growing rapidly, but relatively underdeveloped when compared to per-capita consumption levels to more mature markets. And the beer category is still very concentrated in a healthy core segment. However, premium is growing at a very fast pace. Our company is ranked as one of the most admired CPGs in almost every single market in this cluster, and we have some of the leading brands across all CPG categories.

The markets in this clusters have similar attributes, including demographics, economic trends, cultures, and consumer trends, which allow us to scale winning strategies smoothly across these geographies. In other words, developing markets are a true growth engine, with a healthy balance between both top-line and bottom-line growth.

With what I just had in mind, the mission for developing markets is to leverage our unique position to consistently create profitable growth. To achieve this mission, we have three enablers. First, a combination of relentless execution and the mindset of speed, creativity, and innovation. Second, portfolio transformation, with what Pedro and Rosie highlighted earlier today, the Category Expansion Framework 2.0, leveraging the best practices from the global footprint to deliver an accelerated growth rate in all category segments. Third, rethinking our business model through a new digitally connected ecosystem, making us stronger partners to our customers, and more agile to respond to consumer needs.

Where our strategy has been fully implemented, we see consistent and strong results. For instance, in Brazil, we are delivering top-line growth ahead of historical levels with double-digit growth this year, versus 2019, and also ahead of the industry for the last five quarters in a row, led by portfolio transformation and digital platform.

Mexico. Year over year, we have been delivering strong results at both top-line and bottom-line, consistently ahead of the industry through a complete portfolio and business transformation. And even in Peru, where we have faced one of the longest lasting and most severe COVID lockdowns in the world, we closed the third quarter of this year with top-line and bottom-line above pre-pandemic levels.

A great case study of the success of our growth formula is Colombia. And to walk you through the case, I would like to invite a native Colombian, and the Middle Americas VP of insights and planning, María Angélica, to speak to you directly.

Anglélica Alzate, VP, Insights & Planning, Middle Americas

Thank you, Lisboa. I want to deep dive into two enablers of growth. First, our portfolio transformation through the Category Expansion Framework 2.0, and second, the digital transformation for the future.

The implementation of our Category Expansion Framework 2.0 should start with the brands that our consumers love the most, our core brands, first by developing a more inclusive beer category through offering a more complete range of brands and packs, and inclusive prices to fit with more consumer segments and more occasions.

In addition, enhancing our core portfolio through superior innovation, like the launch of Poker Pura Malta inspired in the case of Brahma Duplo Malte in Brazil, that brings to the core superior elements that were previously owned by premium brands.

Our portfolio transformation also requires a strong premiumization strategy, in which our task is to create a portfolio ahead of our maturity level. First, leveraging the strength of our domestic premium brand, Club Colombia, to trade consumers up from the core, through providing a superior experience with the richness of beer through a full family of varieties. We have golden, red, black, and now our latest innovation, Doble Malt. And also introducing new pack formats to capture new incremental locations like meals and celebrations in which premiumness is required.

We have activated the strength of our full portfolio of international brands, providing Colombians with the best beer propositions of the world, with creative and highly differentiated executions.

[BROLL VIDEO]

Second, to complete our winning formula for developing markets, let me talk about how Colombia has one of our most advanced digital ecosystems. Our B2B platform, BEES, is now adopted by more than 300,000 points of sales, representing 87% of our net revenue. Digitalization has allow us to provide more flexible and efficient services to our retailers, improving our NPS versus non-digitalized retailers, and also supporting our portfolio transformation by increasing our ability to customize our offering through our database algorithms.

In addition, we are enhancing our ecosystem with services like Marketplace in which our retailers have the convenience of finding multiple categories in one single place, and further our fintech services that are positioned to better equip and prepare our traditional trade partners for the future.

Through our relentless execution of our strategy, we are delivering our mission. Our portfolio offers now, more than ever, what our consumers are looking for. Our business model today is more prepared for the future. We have achieved the highest volumes in our history. Our beer market share remains strong, and beer category has achieved share of throat gains within the alcohol industry. And as a result, we are delivering top and bottom-lines growth versus pre-pandemic levels. So, Lisboa, that's our story in Colombia.

Carlos Lisboa, Zone President, Middle Americas

Thank you, Angélica. Super inspiring. Everything we are doing has the objective to make developing markets an insurgent-at-scale region so that they can grow in scale and be agile, be strong, and creative in execution, build on our legacy by modernizing for the future, become a true growth engine. In other words, that's the way we wanna bring our purpose to life, dreaming big in developing markets to create a future with more cheers.

China

Jan Craps, Zone President, APAC

Hello, everyone. I'm Jan Craps, president of the APAC zone. I joined the company about 20 years ago in Belgium, and since then, I've led some of the most profitable markets in the world, like Canada and Australia. Since our IPO in 2019 in Hong Kong, I also became the CEO and co-chair for Budweiser APAC, which is one of the leading breweries in Asia, which, of course, is a key growth region in the world. I'm very excited today to share with you our strategy to win in China.

China is one of the key growth markets for the future ABI value growth, mostly driven by premiumization. And we've built a very strong business here. More than 10 years ago, while other brewers were focused on volume growth mainly from the core and value segments, we made a strategic decision to invest ahead of the curve to shape the premium segment in China. We anticipated the significant growth of middle-income, middle-class households that would drive consumption trade-up and premiumization. As a result, we are leading the premium and super-premium segments with more than 45% share of segments.

Looking ahead, we are anticipating the next significant wave of middle-class household increase in China. This number grew from 7 million in 2010 to 43 million in 2019, and it's expected to reach 172 million by 2030, which will be two times the size of the total middle-class population of the U.S. This rapid growth supports continued premiumization in China for at least the next decade, driven by not only premium, but also the super-premium segments.

In line with our global strategies, here is how they come to life in China. First, in terms of brand portfolio, we are driving further premiumization with both our

premium and super-premium brands. Our premiumization journey started with Budweiser. This brand became the number-one premium beer by building strong local relevance, and connecting to the passion points of Chinese consumers, such as being the iconic brand for Chinese New Year celebration, and introducing electronic dance music to Chinese consumers. China has become the biggest market for Budweiser worldwide, and the brand is contributing almost 50% of our total net revenue in China today.

We have also built strong route-to-market capabilities, developing a group of capable and loyal wholesalers. As part of our Budweiser Elite Club, our key wholesaler partners have access to the top business school programs, and our best practices to improve their day-to-day operations such as premium brand execution, finance, and logistics management.

Additionally, we have an optimized footprint of 31 breweries across different regions in China, leading global ABI in efficiency and environmental benchmarks, and equipped with cross-growing capabilities for Budweiser and other brands in our portfolio. Moreover, Budweiser continues to grow through line extensions and innovations. For example, we address new consumer trends in various drinking occasions by launching Budweiser Supreme, Budweiser Magnum, Budweiser Brewmaster, and Budweiser ME 3s.

[BROLL VIDEO]

As markets mature, consumers are looking for a variety of brands providing differentiated experiences. The super-premium segment offers another avenue of growth, with the potential to create a profitable size almost comparable to premium. As part of the ABI family, we have access to more than 600 brands of various beer styles, many of which have centuries of history and heritage. We believe we are the best positioned to shape and lead the super-premium segment in China as we have done for the premium segments. In 2014, we created our high-end company, with dedicated teams and specialized wholesalers to develop our super-premium portfolio, serving rituals and experiences in a very unique way.

[BROLL VIDEO]

As a result, our super-premium portfolio has quadrupled its volume since 2017, now contributing mid-teens of our net revenue in China. Corona grew to 1 million hectoliters already in 2018. Blue Girl exceeded 1 million hectoliters in 2019, and China became the biggest market for Hoegaarden, also since 2019.

The gross margin of our super-premium brands is more than nine times the average of core and value products. We are very excited by the meaningful growth potential for our super-premium portfolio in China.

Moreover, we continue to expand our super-premium portfolio with our craft and specialty brands, such as Goose Island, Boxing Cat, both of which have been growing consistently at strong double digits. In the Beyond Beer space, we see ready-to-drinks as a key opportunity and a key category to drive growth in China.

That sums up how we are premiumizing the market with our diverse brand portfolio. Now I'd like to talk to you about our execution in China, following our proprietary expansion model. China is a diverse country, with hundreds of cities and different development stages where using averages can be misleading. We expand geographically by implementing our disciplined city-stage expansion model, based on each market's maturity level. Accordingly, we have identified 31 cities for super-premium expansion, more than 50 cities for Budweiser expansion, a brand which, despite its size, still has less than 50% of numerical distribution in China today.

Depending on the city stage, we prioritize different portfolio segments and sales channels, as well as teams and route-to-market developments. From a channel perspective, we have seen that the in-home channel becomes more important as markets mature around the world, and this trend has been further accelerated by the COVID restrictions. To capture this rising opportunity, we leverage different brand assortments and pack types to create a win-win for our consumers and our customers.

Thirdly, I'd like to talk to you about digitization, how we are leveraging data analytics and tech to connect with our consumers and customers, driving digital commerce and digitizing our route-to-markets. We are gathering deep insights through data analytics, allowing us to better connect with our consumers. Bud Space, our brand DTC foundation, built upon a WeChat Mini program, attracts and engages consumers with a holistic digital experience.

DraftLine, our in-house marketing agency, designs and delivers digital creative data to specific consumer segments, improving overall media ROI. In a digital commerce space, we are growing our strong leadership position, and we expanded into new channels, such as O2O platforms. We also use digital ecosystems to pilot new products leveraging influencers and live streaming.

Lastly, in digital route-to-market, we are rolling out our proprietary B2B platform, BEES, to build stronger connections with our wholesaler partners and POCs. For example, through selling algorithms, BEES can provide business solutions to customers to drive incremental top-line growth and improved operational efficiencies.

In closing, we are so excited about the future growth potential of the China market, especially as consumers continue to premiumize. With our proven commercial strategies in premiumization, digitization, and expansion, supported by our amazing teams and strong wholesaler partners, we are confident we can deliver sustainable, high-quality growth in China. Here's to a future with more cheers.

Developed Markets

Brendan Whitworth, Zone President, North America

Hi. I'm Brendan Whitworth, the North America zone president. Before joining Anheuser-Busch, I was a lieutenant in the United States Marine Corps, and an operations officer in the Central Intelligence Agency. After leaving government service and going back to business school, I began my career in CPG at PepsiCo. And eight years ago, I jumped at the opportunity to join this great organization at AB InBev.

Prior to my current role, I was the chief sales officer in the U.S., working alongside Michelle and the team to develop, define, and implement our commercial strategy. And it's an honor and a privilege to be at the helm of the North America zone, helping to continue to execute this strategy alongside a talented and passionate workforce.

I have the pleasure of walking you through our plans for the developed markets cluster. First, I'll share some market context, what it means for the alcohol industry, and our mission in the cluster. Next, I'll share the pillars of our success algorithm. I will also invite Jason Warner, who leads our European business, and our very own U.S. chief commercial officer, and former Canada president, Kyle Norrington, to bring these examples to life. And in addition to discussing his business in Europe, Jason will close out this section by detailing the key principles for our strategy.

Now, by way of introduction, developed markets represent around 60% of the global beer profit pool today. And in aggregate, we hold the number one share position across the cluster. These markets are highly profitable for us globally, contributing over 40% of the EBITDA for our company. And these markets are defined by five key factors. First, wealthy consumers with growing income, up 15% in the last 10 years. Second, alcohol consumption per capita, that is on average two times greater than developing markets. Third, diversity of consumer preferences, occasions, and alcohol styles. Fourth, world-leading innovation and early adoption of digital solutions. And fifth, strong currencies and stable social environments.

Combined, these factors shape the alcohol industry and create a healthy outlook for our markets. And we see two main engines driving growth in alcohol. First, premiumization, where consumers are trading up and looking for goods and experiences with higher perceived value or more intrinsic worth. And second, Beyond Beer. This is also referred to as the fourth category, as it represents the blurring of lines between alcohol categories, traditionally defined as beer, wine, and spirits.

Now, typically served in a can or a single-serve bottle, the category growth is driven by consumers who are breaking up with traditional wine and spirits, in exchange for the convenience of Beyond Beer. This category is extremely incremental to our business, with some subcategories, like ready-to-drink cocktails, sourcing over 50% of their volume from traditional wine and spirits buyers. And we have a competitive advantage and strong right to win, given our capabilities in production, agile innovation and branding, and route-to-market.

Our mission in these markets is to rebalance and premiumize the portfolio to lead future growth. And our success algorithm is grounded in three pillars: one, portfolio, two, digital transformation, and three, relentless execution. First, let me cover portfolio.

In North America, we are already on a journey to premiumize and rebalance our portfolio. Our portfolio is a key competitive advantage, with solutions catering to consumers, ranging from the extremely loyal value consumers all the way up to the most premier offerings and craft. And leading the charge in premiumization in the U.S. has been the multi-year growth of Michelob ULTRA, connecting with the health and wellness macro-trend. It is now the number-two brand in the U.S. industry by volume, behind Bud Light.

We continue to develop our premium and super-premium portfolio, led by our global brand, Stella Artois, and industry-leading craft offerings in our brewer's collective business unit. Over the past four years, we've increased the share generated by our above core portfolio by 10 percentage points, from 20% to 30%. And Jason will share how Europe is driving premiumization, which is now over 50% net revenue in the above core, by building a common scalable portfolio, led by global brands, craft, and specialties, and bringing the success story of the UK.

In addition to premiumization within beer, we are building a robust portfolio, and the right capabilities to accelerate our growth in Beyond Beer across all developed markets. Kyle will share some key learnings from Canada's Beyond Beer business, and how we are replicating these in the emerging segments of the U.S. to capture growth.

Now, the second pillar in our success algorithm is digital transformation. Technology continues to change our ways of working, making us more efficient, by leading the digital conversation with our retailers using our algorithmic selling platform, BEES, which is set for scale expansion across the developed markets cluster.

It's also making us more insightful by developing machine learning tools like LOLA, our locally optimized learning algorithm, that converts POC-level insights into assortment or innovation opportunities. And it's making us more connected with our consumers, with technologies like Europe's PerfectDraft, delivering a great consumer experience fueled by a direct consumer relationship.

Now, finally, relentless execution. Retailers are faced with more complexity to support changes in consumer choices, and we are uniquely positioned to over-deliver support. Our growing expertise in total alcohol category management, our supply chain, and the strength of our route-to-market teams are focused on maintaining optimal service levels and execution excellence. All of this makes us an ideal partner.

As Amanda highlighted earlier, in showcasing the vault, these execution strengths resulted in our U.S. business being awarded the number one CPG supplier by our customers in Advantage Group's annual CPG retailer survey this year, beating all other alcohol and all other CPG companies. And none of this would be possible without our people's resilience and their commitment.

So in summary, we leverage our portfolio, our digital transformation, and our relentless execution as our competitive advantages to drive the success throughout the developed markets. Now, to bring this to life, I'm gonna invite Kyle and Jason to share how they have successfully executed against this strategy, and share some of their examples.

Kyle Norrington, US Chief Commercial Officer

I'm Kyle Norrington, the chief commercial officer for the U.S. business. I've been with AB InBev for 21 years and held many roles across sales and marketing. Most recently, I had the honor of leading our Canadian business as president of Labatt Breweries of Canada. Canada has been executing a similar strategy to the U.S., focused on rebalancing our portfolio mix to growing segments, while still maintaining the health of our mainstream brands.

For years, we found ourselves in a declining beer industry. As we repositioned our business to include Beyond Beer, we increased our addressable market. Now we have a growing business within a growing industry, where we lead the way with an amazing portfolio of beer and Beyond Beer brands.

As Brendan noted, and similar to other developed markets, the beer market in Canada continues to shift toward premium segments. We have an unmatched portfolio across international premium, craft, and core plus brands, and we continue to bolster our position as the number-one brewer by gaining in this growing premium segment. Beyond Beer is a significant category in Canada, representing about 20% of the combined industry. For the last decade, we have built capabilities and a portfolio of leading brands that have, and continue to deliver substantial growth.

Canada's success in Beyond Beer lies in two key transformations to our business. First, we have made Beyond Beer a core pillar of our business in terms of structure and strategy to ensure it is a priority. Second, we increased our capacity for innovation, which remains an engine for industry growth. We are now the leaders in this growing segment, and have established an amazing portfolio of brands that deliver on diverse consumer needs across all sub-segments, from vodka sodas to sweet ready-to-drink coolers.

Take vodka sodas, for example. In 2020, we acquired Canada's number-one vodka soda brand, Nütrl, and scaled that brand across the country with great success. As a spirits brand, Nütrl appeals to traditional wine and spirit

consumers looking for a quality product in a convenient packaging format. We continue to see the brand sourcing disproportionately from these consumers and occasions.

Across our Beyond Beer portfolio, we continue to innovate and grow, bringing incrementality and new consumers to the category. To date, we generate over \$200 million of annualized net revenue, and one third of all ready-to-drink beverages consumed in Canada are one of ours. Looking forward, our portfolio and our capabilities remain our competitive advantage. We continue to premiumize and rebalance by being consumer-first and meeting their needs of today and tomorrow. I'm excited to bring these learnings to the U.S. market as chief commercial officer. Here's to a future with more cheers. Jason, over to you.

Jason Warner, Zone President, Europe & Middle East

Thanks, Kyle. Hello, everybody. I'm Jason Warner, and I'm the zone president for Europe and the Middle East. Before joining AB InBev in 2009, I spent my career of Nestle and Coca-Cola across various roles in sales and marketing, building global brands and robust portfolio strategy. At AB InBev, I started my journey by leading Budweiser globally, followed by Corona, after which I led global innovation and renovation.

Recently, I was the business unit president of the UK and Ireland, where I had the privilege to build the portfolio of the future alongside a talented and passionate team. And now, for the last three years, I have the honor of leading our European operations, with a clear mission to lead future growth in the region driven by a common, scalable portfolio, built with our iconic premium and super-premium brands.

As Brendan mentioned, our success in developed markets is focused on portfolio, digital transformation, and relentless execution. This focus applies to our European business as well. And I'd like to talk to you today about our experience in the UK.

The UK beer category, historically, was a market where the core lager segment accounted for most of the consumption. Back in 2016, our proprietary category development model helped us predict that consumers would accelerate the trade up to premium and super-premium segments. Consequently, we proactively repositioned our business and our portfolio for growth. We invested behind a

focused portfolio of scalable premium and super-premium brands, led by our global brands.

In the last five years, we've generated more than one third of the growth of the premium segment, and in doing so, we became the number one brewer in the UK. In addition, since the Brexit referendum of 2017, our business has been gaining share of throat of total alcohol. Growth begins with consumers, and we are driven by anticipating and meeting their needs.

Our brands in the UK have the highest household penetration in the industry, and in 2020, we continue to accelerate penetration growth almost twice faster than the industry. We are constantly seeking out new growth opportunities. We knew that consumers would seek elevated beer experiences in the home, and we knew that their beer purchasing would move online. We invested accordingly.

Andy spoke earlier about our in-home draft technology, PerfectDraft. And in the UK, there are now more PerfectDraft machines in people's homes than there are pubs, which is remarkable. In addition, our early investments in ecommerce, our own platforms such as Beer Hawk have paid off. We are the market leader in online beer sales with more than 20% of our revenue in the UK now online.

We continue to invest for future growth, enhancing our profitability, our sustainability, and our consumer relevance. Since 2015, we've invested over \$240 million in brewing capacity to keep pace with demand for our premium and super-premium portfolio. We've invested to ensure that 100% of our portfolio in the UK is produced with renewable electricity from solar, wind, and that our full beer portfolio in the UK is brewed with only ingredients of natural origin. We are replicating this winning formula across our European business as we continue to rebalance our portfolio for growth.

Led by our global brands, our premium and super-premium portfolio now delivers more than 50% of our total revenue. That's up from 39% in 2015. Our playbook for our developed markets is not just UK or Canada-specific, but it's applicable across our footprint. We will continue to leverage our portfolio of iconic global, and local premium and super-premium brands, supported by our digital platforms and relentless execution to win with consumers and to lead future growth. Here's to a future with more cheers.

Emerging Markets

Ricardo Moreira, Zone President, Africa

Let me introduce myself. I'm Ricardo Moreira, and I'm the zone presence of Africa. And I have worked for ABI in the last 27 years. I have worked almost my entire career in sales, marketing, and operations. And over the last 13 years, I have led our soft drinks business in Brazil, the commercial integration of Grupo Modelo in Mexico, the SAB integration in Colombia, Peru, and Ecuador. And since 2019, I have been leading our operations in Africa. Over the next few minutes, I just have one goal, to share with you how emerging markets will be a very strong lever for our future profitable growth.

The potential behind the expansion of the beer category in these countries is meaningful, and in the next 10 years, we expect to increase our volume contribution from these markets significantly. These markets currently have a population of around half-billion people, with expected growth of 24% by 2030. Income per capita is still relatively low, but projected to grow steadily by mid-single digits over the next decade, as these economies continue to develop.

Taking Africa continents as example, excluding South Africa, the average age is below 25 years old. Our internal forecast indicate that around 70 million new legal drinking-age consumers could be added to our existing base of consumers by 2030, which represents growth of over 30%. Furthermore, the current average beer per capita consumption in emerging markets is just 22 liters, compare with an average of around 78 liters in developing markets, which implies a significant beer volume growth opportunity.

You have heard earlier from my colleagues, Carlos and Angélica, about the success of winning growth formula in developing markets like Mexico or Colombia. This experience has helped us to design a clear roadmap for how to win in our emerging markets. Let me give you an example of how this roadmap translates into strategy in Africa.

Our commercial plan can be summarized by three main objectives: to build an inclusive category, to develop superior core and above core portfolios via innovation, and to accelerate our digital route-to-market transformation.

Let me start with how to make our category more inclusive for new consumers. According to our estimates, more than half of all alcoholic beverages consumed in Africa are informal, representing a significant opportunity to formalize alcohol consumption. Consumers want better-quality consumption occasions, and alcoholic beverages at price that are still within their means. Our brands are aspirational and trusted, but purchasing power is still a relevant barrier with consumers, needing to work an average of 130 minutes to buy beer.

So what's the solution? We need to make our category more inclusive by offering new products that are high quality at a relatively moderate cost. This will attract new consumers to our products initially, and we expect over time that these consumers will trade up to our well-established core and core plus brands. By doing that, we will help foster economic growth in the communities in which we operate by investing in the entire value chain, from farmers to point of sale owners.

We have done this in Mozambique with our local core brand, Impala, that was launched five years ago. By focusing on the right distribution channels and in the right geographic areas, we were able to grow in a profitable way, limiting cannibalization of our core portfolio, and steadily increasing per-capita consumption from below 10 liters in 2017 to around 11.5 liters in 2021. Needless to say, these initiatives also support local governments through formalization of the economy and increased tax collection.

Similar projects have been implemented in Zambia, Uganda, and Tanzania, which brings me to our second objective, to develop superior core and above core portfolios via innovation. A further example of how we are building the right portfolio for the future is Brutal Fruit, a Beyond Beer brand that was created in South Africa, and that is expected to become a Pan-Africa brand over the next few years. To speak to you about Brutal Fruit, let me introduce Leanne, our Beyond Beer director for Africa.

Leanne Owens, Beyond Beer Director, Africa

Thank you, Moreira. As you know, South Africa is one of the largest and most dynamic ready-to-drink markets in the world. For many years, the overall category was opportunistic with the launches of many different liquids to take advantage of short-cycle flavored beverage trends. But we knew that this wouldn't be a sustainable approach. So we put the consumer at the center of our

innovation efforts. And by meeting their underlying needs, we have shown that we can create enduring innovations in the Beyond Beer space.

As an example, our consumer research indicated that women in South Africa prefer a sweet, fruity, and sparkling taste profile, and desire the look and feel of sophistication and elegance. So we built the Brutal Fruit Spritzer brand on this idea of accessible sophistication. Firstly, we looked at liquid sophistication. We created a complex, yet accessible liquid. Secondly, it was about ritual sophistication, distinctive imagery around glassware representing the uniqueness of women.

And lastly, it was about execution sophistication. From packaging design to communication, the goal was to be aspirational and beautiful. As a result, since the launch of Spritzer in 2018, Brutal Fruit has grown nearly four times, and improved from the sixth to the second most powerful brand with women in the ready-to-drink category. And we have almost doubled our female consumer base since launch, and all this with a premium positioning, complementing our high-end portfolio. Brutal Fruit Spritzer is so much more than your typical beverage. It is a purposeful brand that appeals to a co-ed consumer base, that is now on its way to expand to the entire continent.

Ricardo Moreira, Zone President, Africa

Thanks, Leanne. That's really a great example of innovation and portfolio expansion to meet consumer needs. Then, our third and last objective for emerging markets is accelerating our digital route-to-market transformation. We have a very traditional structure in our emerging markets to serve our clients and consumers. However, through our global digital platforms like BEES, BEES Marketplace, [inaudible 00:45:37], we can leapfrog our traditional route-to-market development path, and with our scale and footprint, expand our reach to consumers and customers by solving their key pain points.

The combination of these platforms with our fintech solutions can unlock value for our clients, especially as banking services are generally not as developed as in other more developed countries. With our global capabilities, we want to be the first global CPG company to establish a relevant marketplace in these emerging markets, building an important competitive advantage for the years to come. For example, in Tanzania, we are already piloting the BEES Lite app, which was developed for markets with reduced infrastructure. We are focused

on expanding app across categories to create a strong relationship with distributions and point of sale.

I'm really excited about the great opportunities ahead, but mainly because the future in our emerging markets is already here. The long-term results are worth the effort to attract new consumers into the formal economy, to fuel the development of the communities in which we operate, and to create and share superior value for ABI and all its stakeholders. Here's to a future with more cheers.

Michel Doukeris, Chief Executive Officer

You see we have a team of people who dream big, and are fully aligned to our evolved strategy to create a future of more cheers. Now, let's take another quick break.